

Idaho Department of Labor

2007 Action Plan

The Idaho Department of Labor serves the needs of businesses and workers in six major areas: Communications and Research, Disability Determinations, Employment Services, Unemployment Insurance, Wage and Hour and Work Force Development.

COMMUNICATIONS & RESEARCH provides a broad range of state and local data on past, current and projected labor market conditions, including the monthly unemployment rate. Communications and Research also works with the national, international and local media to disseminate and explain information on Idaho's economy. Employment, unemployment, demographic, income and other statistics are key economic indicators produced in cooperation with the U.S. Bureau of Labor Statistics, the U.S. Bureau of Economic Analysis and the U.S. Census Bureau. The division also establishes Idaho's average weekly benefit amount and the average tax rate for employer-paid unemployment insurance taxes and monitors the health of the Unemployment Insurance Trust Fund. In the future, the division is being challenged to maintain the abundance, quality and timeliness of labor market information in the face of persisting cuts in the federal support for department programs.

DISABILITY DETERMINATIONS SERVICE makes determinations regarding medical eligibility for Social Security disability benefits. Careful attention is given to arriving at accurate and timely decisions that minimize medical case costs with the goal of consistently exceeding Social Security Administration targets for case receipts, case clearances, productivity and accuracy. Idaho was ranked the number one state in the country last year for productivity and timeliness. In the future, the service will be challenged to maintain its performance levels in the face of federally mandated operating changes.

EMPLOYMENT SERVICES provides a broad array of labor exchange services for job seekers and employers both electronically and through its staff at 24 local offices across the state. Idaho's job seekers and employers are matched by an online automated system using skills, experience requirements, salary preferences and geographic specifications. To increase efficiency through technology, agency computers use telephone auto-dialers, which are programmed to call applicants after office hours with information about job openings. The federal Wagner-Peyser Act provides base funding of about \$6.5 million annually for most labor exchange or employment service functions, and the department is committed to continuously enhancing its products and services for job seekers and employers. Oversight is provided by the Idaho Workforce Development Council and local employer committees. Currently, nine employer committees are established throughout the state with employer members in excess of 2,400. During Fiscal Year 2006, the department registered over 183,000 job seekers, students and others for work. Of these, 101,960 received direct services in the form of job search assistance, labor market information or vocational guidance. On the employer side, the agency received over 101,000 job listings and referred qualified candidates for those openings. To help businesses find workers and workers find good jobs, the department operates Workforce Investment Act programs, the Trade Adjustment Assistance Program, various training initiatives, migrant worker programs and veterans outreach. In the future, the department will remain challenged by continued cuts in federal operating grants for both general employment services and for veterans outreach even as spot shortages of specific work skills begin showing up across the state, reinforcing the need for training and job matching services.

UNEMPLOYMENT INSURANCE provides partial replacement of wages to people who lose their jobs through no fault of their own. The employer-financed trust fund finances these payments, which help maintain a qualified labor pool during slack times for businesses. The department administers benefit distribution and collection of the supporting tax from the state's 50,000 covered employers. About 6 percent of Idaho's covered workers, about 45,000, received benefits in 2005. The number will be significantly lower for 2006. During 2005, the department recovered more than \$3.9 million in fraud and benefit overpayments, using various tactics including cross-matching claimants with driver's license information. In the future, the department is concerned about the ability of the trust fund to withstand a significant economic downturn and is reviewing possible modifications to the unemployment insurance formula to strengthen the trust.

WAGE AND HOUR defines the department's responsibilities for administering Idaho's wage payment, minimum wage and other state labor laws. The division collects unpaid wages for workers, educates employers on wage and other labor laws and maintains the registry of farm labor contractors. Updating the state's antiquated child labor laws and maintaining closer scrutiny of farm labor contractors are major future challenges for the division.

WORK FORCE DEVELOPMENT programs help dislocated workers become re-employed and prepare disadvantaged youth and adults for entry into employment. The federal Workforce Investment Act establishes the one-stop service delivery infrastructure and provides funding to train the targeted groups. The department also administers Idaho's Workforce Development Training Fund and a new Incumbent Worker Revolving Loan Fund. The department coordinates a broad array of employment and training programs and delivers those services to employers, job seekers and students with universal access, customer choice, program integration and customer satisfaction as the guide. Programs offered under the Workforce Investment Act and training provided through the employer-financed Workforce Development Training Fund are cornerstones of this effort. The major problems looming in this area again deal with the erosion of federal funding.

INFORMATION TECHNOLOGY is employed extensively at the Department of Labor. The Department developed and operates the State's wide area network, IDANet, developed and maintains the State's Business and Jobs Internet portals, has developed Internet-based systems for a number of agencies such as the Division of Human Resources and the Division of Building Safety, and has developed extensive Internet-based systems for use internally in Labor as well as in Commerce activities. The Department is a technology leader among State agencies and won three of six possible automation excellence awards from the Information Technology Resource Management Council in 2005.

FUNDING of the Department is over 90% federal grants. Those grants are counter cyclical to the health of Idaho's economy. When unemployment is high, the grants grow larger and when unemployment is low, the grants are reduced. The current robust economy has caused federal grants to shrink at the Department. For example, the Workforce Investment Act (WIA) has been cut in half over the past 4 years. The Department's September, 2006 full-time equivalent position level is almost 100 positions under what it was for Fiscal Year 2004 as a whole. The Department will add some positions back this winter to handle heavy winter Unemployment Insurance workload, but the Department's target is to reduce full-time equivalent positions in FY 2008 by 75 positions below the FY 2004 level. The Department is very adept at managing this wide fluctuation in resources.

The following pages contain the action items in the above areas for the next year. These pages include goals, performance measures for those goals and the performance targets that the Department hopes to achieve in 2007.

Idaho Department of Labor

2007 Action Plan

The Department of Labor helps develop and maintain a quality work force maximizing employment in Idaho by providing businesses with the employees they need to be profitable and assisting workers in securing employment that provides a better life. The department also determines medical eligibility for Social Security Disability.

Organization And Mission	Goals And Objectives	Performance Measures	Benchmark Target
<p><u>Administrative Services</u></p> <p>Provides fiscal, human resources, information technology, purchasing, new hire, and facility services to the entire department.</p>	<ul style="list-style-type: none"> • Maintain productivity by providing valuable, reliable, secure, efficient, and cost effective services. • Improve productivity and enhance customer service using automation, standardization, and innovation. • Assist and cooperate with other government entities through co-location, partnerships, and technical expertise. • Maintain accurate, timely financial records in the Unemployment Insurance (UI) Tax System • Improve efficiency and work environment for staff and customers 	<ol style="list-style-type: none"> 1. Fully documented manual and automated procedures of the financial systems of the department. 2. Business continuity for IT operations. 3. Successful implementation of Unemployment Insurance (UI) Grant-funded projects. 4. DBS Alpine project. 5. Data security and encryption. 6. Implementation of new document management system. 7. Deposit tax collections as required by law. In FY 2006 146,669 checks totaling \$160,991,349 were deposited within 24 hours of receipt. 8. Purchase property in Canyon County. 9. Build new Canyon County local office. 	<ol style="list-style-type: none"> 1. Desk manuals and system documentation completed by 12/31/2007. 2. Extend functional data storage and minimal operational capabilities offsite by 12/31/2007. 3. All projects completed by 9/30/2007. 4. Meet all negotiated 2007 project milestones and deadlines. 5. Encrypt all AIMS laptops by 3/31/2007. 6. Replace Fortis with Application Extender (AX) by 6/30/2007; create and implement an electronic document retention policy by 12/30/2007. 7. Deposit all tax collections within 24 hours of receipt. 8. By February 28, 2007. 9. Open for business by February 29, 2008.
<p><u>Communications & Research</u></p> <p>Provides a broad range of state and local data on past, current and projected labor market conditions, including the monthly unemployment rate. Produces Employment, unemployment, demographic, income and other statistics and key economic indicators in cooperation with the U.S. Bureau of Labor Statistics, the U.S. Bureau of Economic Analysis and the U.S. Census Bureau. Provides actuarial services for the Unemployment Insurance program, maintains Department web sites, and manages information dissemination on Department programs and functions.</p>	<ul style="list-style-type: none"> • Maintain accuracy standards for the Current Employment Statistics monthly employment estimates. • Develop and assess labor availability, skills and industry and occupational cluster data for the Workforce Development Council and other economic and workforce development groups. • Increase labor market information dissemination effort through enhanced marketing. • Maintain rapid response on Alien Labor Certification requests. 	<ol style="list-style-type: none"> 1. Current Employment Statistics – USDOL regional office staff evaluate estimate error in the annual benchmarking process. 2. Labor Market Information: Annual satisfaction survey of regional customers, contacts and stakeholders. 3. Labor Market Information dissemination: Measure average monthly visits to www.lmi.idaho.gov. 4. Rapid Response on Alien Labor Certification: Take client application time minus the prevailing wage determination fax and e-mail time. 	<ol style="list-style-type: none"> 1. Less than 1% error on statewide total estimate based on the annual federal audit. 2. Satisfactory feedback from annual evaluation of regional stakeholders. 3. Increase average monthly visits to 11,000, or 10%. 4. All processed within 10 days, averaging under seven days.

Organization And Mission	Goals And Objectives	Performance Measures	Benchmark Target
<p><u>Disability Determinations</u></p> <p>DDS makes determinations regarding whether applicants meet the medical criteria for Social Security disability benefits. Accurate and timely decisions provide quality customer service to the citizens of Idaho.</p>	<ul style="list-style-type: none"> • Maintain national status as leader in timeliness. • Maintain national status as leader in productivity based on number of staff. • Maintain national status as leader in quality. • Implement Consultative Exam (CE) fee schedule to assist in containing medical costs. • Increase the amount of medical evidence submitted electronically. • Provide assistance to other states in processing electronic initial claims. 	<ol style="list-style-type: none"> 1. Average processing time is determined by the number of days to close Title 2 and 16 claims. 2. Number of claims closed divided by number of FTE calculates PPWY-production per work year. 3. National net accuracy goal is 97.0%. Typically, national average is below 97.0%. 4. Consultative Exam cost per case for FY06 was \$291.00. 5. Meet or exceed Idaho's goal for medical records and consultative exam reports submitted electronically. 6. Assistance provided will provide positive impact on that state's ability to meet SSA goals. 	<ol style="list-style-type: none"> 1. Reduce both Title 2 and Title 16 average processing time by two days. (End of FY06-Title 2=68.7 and Title 16=67.1 days.) 2. Current cumulative goal is 269.9. Exceed goal by 7.5% for final PPWY of 290.0 by end of FY07. 3. Meet SSA goal for net accuracy of 97.0%. 4. Reduce consultative exam cost by 5% or more by using a fee schedule by February 2007. 5. Increase electronically submitted medical record of evidence by 5% per quarter and consultative exams reports by 3% per quarter. 6. Idaho DDS will process 90% of initial claims within 70 days of receipt.
<p><u>Employment & Training</u></p> <p>Develop workforce development programs that drive Idaho's economic future.</p>	<ul style="list-style-type: none"> • Develop accurate and accessible labor market information system for industry, education and government use. <ul style="list-style-type: none"> ○ Assess the labor information needs of business and industry. ○ Market new products and train users in government and private industry. • Department of Labor is viewed as the primary source of information for Idaho business, industry, economic, workforce and education practitioners. <ul style="list-style-type: none"> ○ Develop and execute training program for all central and local delivery staff. ○ Promote the awareness of Labor Offices as the center of business and workforce services in the community • Develop quality business-education and workforce partnerships to expand the quality and capacity for worker preparation and continuing education. <ul style="list-style-type: none"> ○ Develop and execute 	<ol style="list-style-type: none"> 1. Supply/demand projections developed for critical industries, those that exhibit higher than average wage and job growth potential. 2. Economic development activities and workforce programs are fully integrated into the Department of Labor. 3. Business Retention and Expansion program initiatives are developed and implemented. 4. Funds are used to promote business expansion, retention and creation of jobs in Idaho. 5. Utilize Workforce Investment Act (WIA), Trade Adjustment Assistance (TAA) funds for training to support job creation and increased earnings in high wage, high skill jobs. 	<ol style="list-style-type: none"> 1. Regional Supply/Demand information is available for business, education, and workforce planning – June 30, 2007. 2. 200 personnel in the Department of Labor are trained on economic development and workforce training programs – December 31, 2007. <ol style="list-style-type: none"> a. Marketing Campaign Launched – Oct., 2007 b. Website Developed – Oct. 2007 3. Establish Business Retention and Expansion programs at 6 Regional Labor Offices. – December 31, 2007. <ol style="list-style-type: none"> a. Pilot an Employer skill test for 750 occupations in all regional Labor Offices (6) – October, 2007 4. Utilize Workforce Development Training Funds with 20 companies for the creation of 500 new Idaho jobs – December, 2007 5. Employment & Training Enrollments/Outcomes <ol style="list-style-type: none"> a. Enrolled: WIA (2876) TAA (200) b. WIA Entered Employment (735) (adult/dislocated worker)

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	<p>Business Retention Training Program for all local delivery staff.</p> <ul style="list-style-type: none"> • Workforce Development Training Fund (WDTF) remains Idaho's premier program to create and retain jobs in Idaho. 		<ul style="list-style-type: none"> c. WIA Youth Employment or Post Secondary Ed. (249) d. WIA Youth Degree/Certification (229) e. Worker Opportunity Tax Credit Certifications (1477) f. WIA Funding Targeted to areas of high unemployment.
<p><u>Field Services</u></p> <p>Field Services provides a broad array of labor exchange services for job seekers and employers both electronically and through our staff at the 24 workforce centers across the state. These services include unemployment insurance benefits, job referrals, labor market information, workforce investment act training opportunities, career guidance, business job fairs, rapid response services to dislocated workers, and services to veterans, farmworkers, and individuals with disabilities.</p> <p><u>Area I Offices</u></p> <p>Bonnors Ferry, Sandpoint, Coeur d'Alene, Lewiston, Silver Valley (Kellogg), Orofino, Grangeville, Moscow, St. Maries, Salmon, Rexburg, Blackfoot, Idaho Falls, and Pocatello.</p> <p><u>Area II Offices</u></p> <p>Blaine County (Hailey), Mini-Cassia (Burley), Magic Valley (Twin Falls), Mt. Home, Boise, Meridian, Canyon County, Payette, McCall, and Emmett.</p>	<ul style="list-style-type: none"> • Customer Registrations for services: • Direct services in the form of job search assistance, labor market info, or vocational guidance: • Employer Job Listings: • Services to Veterans: • <i>Work First</i> program (regions 6 & 7): • Employer Recruitment Efforts in 2006: <ul style="list-style-type: none"> ○ Wal-Mart in Kellogg ○ Tamarack in McCall ○ Costco in Canyon County ○ Marathon Cheese in Mountain Home ○ Dutchmen Mfg. in Burley • Rapid Response Services: <ul style="list-style-type: none"> ○ These are services provided to workers being laid off due to plant closures. ○ Workforce Training Program enrollments 	<ol style="list-style-type: none"> 1. Number of Registrations in FY 2006 – 183,094. 2. Number Served in FY 2006 – 101,960. 3. Job Openings Listed in FY 2006 – 101,000. 4. Number of Veterans Served in FY 2006 - 16,166. 5. Number of Work First Participants in FY 2006 – 1,840 participants. 6. Employer Recruitment: <ol style="list-style-type: none"> a. Wal-Mart: Interviewed over 300 applicants. b. Tamarack: Made over 7000 applicant referrals to over 100 job openings. c. Costco: Employer conducted over 300 interviews at the local office for 80 positions. d. Marathon Cheese: Referred 1300 applicants for initial recruitment of 80 staff. Plant will employ 300. e. Dutchmen: Referred over 425 applicants. 7. Rapid Response Services: <ol style="list-style-type: none"> a. Michaels of Oregon (Meridian) 225 employees b. Jon Linn Foods (Weiser) 266 employees c. Tyson Food (Kuna) 270 employees d. Kraft (Rupert) 140 employees e. Ballard (Pocatello) 210 employees in 2006. An additional 60 employees in March 2007. 8. Workforce Training Number Served: <ol style="list-style-type: none"> a. Adult workers – 822 b. Dislocated Workers – 958 	<ol style="list-style-type: none"> 1. Number of Registrations in FY 2007 – 185,000 2. Number Served in FY 2007 – 105,000 3. Job Openings Listed in FY 2007 – 110,000 4. Number of Veterans Served in FY 2007 – 16,000 5. Number of Work First Participants in FY 2007 - 1,940 6. Employer recruitment efforts planned for 2007: <ol style="list-style-type: none"> a. XL 4 Star Beef – Nampa over 400 jobs expected to be filled in 2007. Local office is actively helping with hiring efforts. b. Kohls – Idaho Falls – 200 employees to be hired in Feb. 2007. c. Best Buy – Nampa – Local office is helping to recruit applicants for 125 jobs for March 2007 opening. d. Sierra Trading Post – Meridian – Local office is providing interview space and referring applicants for 45 new jobs. 7. Prepared to provide outplacement services to citizens impacted by layoffs. Additional federal funds will be sought should any large layoffs occur. 8. Workforce Training Number Served: <ol style="list-style-type: none"> a. Adult workers – 800 b. Dislocated Workers – 900 c. Youth - 800

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<p><u>Unemployment Insurance Benefits Bureau</u></p> <p>Assist in drafting of UI laws and/or rules; provide technical UI and Trade Readjustment support to field staff.</p> <p>Provide technical UI and Trade Readjustment training and support to field staff.</p> <p>Design, test and deploy applications to enhance UI and Trade systems.</p> <p>Remain best state in the United States on Unemployment Insurance benefits eligibility quality.</p>	<ul style="list-style-type: none"> • Ensure compliance with state and federal laws and rules. • Meet and exceed all the federal benefit performance measures. • Bureau staff be available to provide quality guidance and program specific training. • Implement Social Security cross match for claimant identity verification. • Direct Deposit available for claimants drawing unemployment insurance benefits. • Debit cards to replace paper checks. • System enhanced to identify attached claimants that have not returned to work (REA system). • Payment of UI benefits 	<p>c. Youth - 817</p> <ol style="list-style-type: none"> 1. Provide basic, intermediate and advanced UI training on a quarterly basis, and facilitate federal adjudicator on-line training. Provide an Intranet portal with accurate and timely information. 2. SSA cross match operational within the Idaho Works system by June 2007. 3. Optional payment system operational by April 2007. Only two payment methods available to new claimants: direct deposit or debit cards, by October 2007. 4. Improve required work search for claimants. 5. Number of and total of payments in FY 2006 -- 504,930 payments totaling \$116,034,151. 	<ol style="list-style-type: none"> 1. Minimum quality score of 93% for separation issues (seps) & non-separation issues (non-seps) at quarterly tripartite. First pay timeliness exceeds 90% quarterly. 2. Field staff adequately trained in claims processes and 30 new adjudicators complete the on-line training by September 2008. 3. All claimants SSN cross matched at time new claim is filed by June 30, 2007. 4. 20% of claimants participating in direct deposit by April 2007. 60% reduction in payment processing and mailing costs. 100% participation in direct deposit or debit card for all claimants by December 2008. 25% attached claimants work seeking status accurately assigned. 5. Number of and total of payments in FY 2007 -- 545,000 payments totaling \$127,500,000
<p><u>Unemployment Insurance Wage and Hour Unit</u></p> <p>Administer Idaho's minimum wage, wage payment, and farm labor contractor licensing laws.</p>	<ul style="list-style-type: none"> • Improve customer service and timely settlement of wage disputes. • Ensure compliance with the Farm Labor Contractor Law. 	<ol style="list-style-type: none"> 1. Collect unpaid wages. 2. Educate the public. 3. Investigate farm labor contractor violations. 	<ol style="list-style-type: none"> 1. Collect \$450K in wages. 2. Conduct 60 presentations. 3. Bring FLC violations to county prosecutors for trial.
<p><u>Unemployment Insurance UI Compliance Bureau</u></p> <p>Strive to ensure the integrity of the unemployment insurance trust fund through employer compliance, claimant compliance and collections.</p>	<ul style="list-style-type: none"> • Enhance communication with external customers and with staff <ul style="list-style-type: none"> - Provide better tools - Hold conferences • Improve data security <ul style="list-style-type: none"> - Laptop data encryption • Enhance detection and tracking of tax and benefits fraud and abuse <ul style="list-style-type: none"> - Automate systems - Increase investigations and audits • Improve collections <ul style="list-style-type: none"> - UI Overpayments - UI Tax 	<ol style="list-style-type: none"> 1. Rewrite of Online Quarterly Reporting Application 2. Tax Fraud Link on Web 3. Bureau Wide Teleconferences 4. Statewide Employer Seminars 5. Encrypt Data on Laptops 6. National Directory of New Hires Crossmatch 7. State Unemployment Tax (SUTA) Dumping Detection System 8. Fines Programming on Mainframe 9. Joint Tax and Benefits Investigations 10. Tax Audits 11. Benefit Overpayments Establishments 12. Benefit Overpayment Collections 	<ol style="list-style-type: none"> 1. By June 30, 2007 2. By March 31, 2007 3. 3 per year 4. In all areas of the state by August 2007 5. By March 31, 2007 6. By March 31, 2007 7. By March 31, 2007 8. By February 28, 2007 9. 24 joint investigations 10. 1% penetration with 90% request and 10% random. 11. 10% increase 12. Increase recovery rate by 4% to 85.6% 13. 8% decrease in receivables older than 12 months (as of Sept 30)

Organization And Mission	Goals And Objectives	Performance Measures	Benchmark Target
<p><u>Unemployment Insurance</u> Appeals Bureau Conduct hearings of UI and Wage & Hour appealed cases and issue a formal decision.</p>	<ul style="list-style-type: none"> • Complete Appeals workload achieving a high quality and timeliness standard for the USDOL national performance measures of lower authority appeals cases. • Complete the first stage of the new Appeals Processing and Conference Management Application (this is funded from an approved federal supplemental budget request). • Reduce cost of recording hearings and eliminate errors caused by bad hearing recordings. • Increase effectiveness of department witnesses at appeals hearings. 	<p>13. Tax Collections</p> <ol style="list-style-type: none"> 1. Ranking among states in achieving the USDOL performance standard for lower authority appeals cases. 2. The application will eliminate duplicate data entry and storage, and eliminate lag time in posting appeals data. 3. Change recording method for hearings from cassette to CD disks or Internet telephone integrated system. 4. An Appeals Examiner(s) will make a presentation at the 2007 UI Conference to explain how to conduct hearings and what to expect from witnesses 	<ol style="list-style-type: none"> 1. Idaho will rank nationally in the top 10 states in case aging and in time lapse for completing appeals cases during 2007. 2. During the first stage (to be completed by September 2007: <ol style="list-style-type: none"> a. Hire a contractor to back fill base staff. b. Perform analysis and design of system. c. Complete coding and testing of new system. 3. The new system for recording hearings will be in place by September 30, 2007. 4. Presentation will be expected to receive a participant above average rating. Further assessment of witness effectiveness will be made by Appeals Examiners subsequent to the presentation.